

STAND. COM. REP. NO.

3688

Honolulu, Hawaii

APR 06 2018

RE: H.B. No. 1270
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1270, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LAND ACQUISITION,"

begs leave to report as follows:

The purpose and intent of this measure as received by your Committee is to appropriate funds for and to direct the Board of Land and Natural Resources to enter into negotiations to acquire and conduct due diligence of the property identified as Tax Map Key: (3) 6-8-001:030 Kamuela, Hawaii.

Additionally, this measure as received authorizes the issuance of general obligation bonds for the purchase of the property.

Prior to decision making on this measure, a Proposed Senate Draft 2 (Proposed S.D. 2) of this measure was circulated for public review and comment.

The purpose of the Proposed S.D. 2 is to establish and appropriate funds for the agricultural land acquisition fund, which is to be partially financed by a portion of the state environmental response, energy, and food security tax and to be administered by the Agribusiness Development Corporation to



acquire, administer, maintain, and manage agricultural lands and irrigation systems to improve food security.

Your Committee received testimony in support of the Proposed S.D. 2 from the Department of Agriculture, the Agribusiness Development Corporation, the Hawaii Farm Bureau Federation, the Ulupono Initiative, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and the Hawaii Cattlemens Council.

Your Committee received testimony in opposition to the Proposed S.D. 2 from the League of Women Voters of Hawaii.

Your Committee received comments on the Proposed S.D. 2 from the Department of Budget and Finance and the Tax Foundation of Hawaii.

Your Committee finds that, since land is a critical component in enhancing the State's food security, acquiring agricultural lands may significantly increase the available agricultural land for food production and may offer additional possibilities to boost the economic viability of the State's entire agriculture industry.

Your Committee has amended this measure as received by:

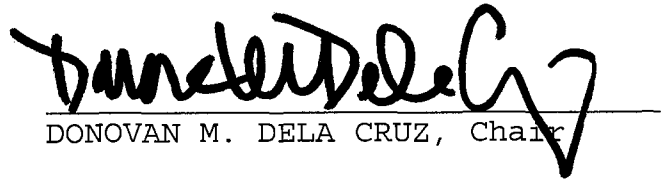
- (1) Designating the existing contents of the S.D. 1 of this measure as part I;
- (2) Changing the general obligation bond and the general fund appropriations in part I to unspecified amounts;
- (3) Incorporating the Proposed S.D. 2 as part II;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of style and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B.



No. 1270, H.D. 1, S.D. 1, as amended herein, and recommends that
it pass Third Reading in the form attached hereto as H.B.
No. 1270, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



